

Medical Assistance Services

STARS Number & Budget Unit: 270 HWIA

Bill Number & Chapter: S1445 (Ch.379), H805 (Ch.282)

PROGRAM DESCRIPTION: Provide a complete program of medical and dental services to eligible recipients throughout Idaho. Care and services include, but are not limited to: hospitalization, surgery, nursing home care, prescription drugs, and treatment of other medical conditions as defined in the state plan.

DIVISION SUMMARY:	FY 2003 Total Appr	FY 2003 Actual	FY 2004 Total Appr	FY 2005 Request	FY 2005 Gov Rec	FY 2005 Approp
BY FUND SOURCE						
General	237,618,600	236,778,700	241,307,300	295,971,300	295,666,700	288,171,600
Dedicated	36,498,500	70,404,000	51,159,900	56,753,100	56,753,100	63,988,100
Federal	584,320,800	591,971,100	572,811,400	720,218,400	719,824,700	699,241,400
Total:	858,437,900	899,153,800	865,278,600	1,072,942,800	1,072,244,500	1,051,401,100
Percent Change:		4.7%	(3.8%)	24.0%	23.9%	21.5%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	12,598,100	11,585,000	12,954,400	15,270,800	15,408,900	15,252,700
Operating Expenditures	24,954,000	17,879,300	18,474,300	19,008,600	18,364,400	20,614,400
Capital Outlay	55,100	130,700	29,600	192,200	0	0
Trustee/Benefit	820,780,700	869,558,800	833,820,300	1,038,471,200	1,038,471,200	1,015,534,000
Lump Sum	50,000	0	0	0	0	0
Total:	858,437,900	899,153,800	865,278,600	1,072,942,800	1,072,244,500	1,051,401,100
Full-Time Positions (FTP)	219.69	234.56	233.56	258.50	258.50	257.00
DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total	
FY 2004 Original Appropriation	233.56	256,307,300	48,751,300	615,337,800	920,396,400	
Reappropriations	0.00	0	2,408,600	0	2,408,600	
1. Increased Fed Funds Available	0.00	(15,000,000)	0	(42,526,400)	(57,526,400)	
Other Approp Adjustments	0.00	0	0	0	0	
FY 2004 Total Appropriation	233.56	241,307,300	51,159,900	572,811,400	865,278,600	
Non-Cognizable Funds and Transfers	17.94	(720,900)	6,634,200	98,623,500	104,536,800	
FY 2004 Estimated Expenditures	251.50	240,586,400	57,794,100	671,434,900	969,815,400	
Removal of One-Time Expenditures	0.00	0	(2,430,200)	(97,958,400)	(100,388,600)	
Base Adjustments	0.00	1,000,000	0	0	1,000,000	
Additional Base Adjustments	0.00	15,000,000	0	42,526,400	57,526,400	
FY 2005 Base	251.50	256,586,400	55,363,900	616,002,900	927,953,200	
Personnel Cost Rollups	0.00	126,200	0	214,800	341,000	
Inflationary Adjustments	0.00	10,182,600	0	24,434,500	34,617,100	
Nonstandard Adjustments	0.00	25,056,600	7,000,000	60,228,000	92,284,600	
Change in Employee Compensation	0.00	101,000	0	171,900	272,900	
Fund Shifts	0.00	42,400	0	(42,400)	0	
FY 2005 Maintenance (MCO)	251.50	292,095,200	62,363,900	701,009,700	1,055,468,800	
1. CHIP B & Access Card Benefits	0.00	0	1,389,200	5,373,800	6,763,000	
2. CHIP B & Access Card Staffing	5.50	0	95,200	285,100	380,300	
3. Medicaid Automation Project	0.00	110,200	139,800	2,250,000	2,500,000	
4. Managed Care Savings	0.00	(1,886,100)	0	(4,524,900)	(6,411,000)	
5. Disease Management Savings	0.00	(1,765,200)	0	(4,234,800)	(6,000,000)	
6. First Choice Drug Savings	0.00	(382,500)	0	(917,500)	(1,300,000)	
FY 2005 Total Appropriation	257.00	288,171,600	63,988,100	699,241,400	1,051,401,100	
Change From FY 2004 Original Approp.	23.44	31,864,300	15,236,800	83,903,600	131,004,700	
% Change From FY 2004 Original Approp.	10.0%	12.4%	31.3%	13.6%	14.2%	

RESCISSION: S1445 reduced the fiscal year 2004 appropriation by a total of \$57.5 million. Of this amount, \$15.0 million was from the General Fund. This one-time savings was possible due to an unanticipated increase in federal matching funds for the last quarter of fiscal year 2003 and for four quarters of fiscal year 2004.

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. A medical inflationary increase of 3.5% was funded. Nonstandard adjustments reflect increases in utilization rates and caseload growth. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). Funding was shifted from federal funds to the General Fund to offset a decline in the Federal Medical Assistance Percentage, which went from 70.585% down to 70.58%.

A total of six enhancements were also included in this budget. The first enhancement provided funding for CHIP Plan B and Access Card Benefits, and the second provided the resources for associated staffing. The dedicated fund source for these two enhancements is from the State Insurance Premium Tax. Enhancement number three provided one-time moneys for modifying the Department's automated

systems to accommodate future cost sharing and co-payments for certain Medicaid clients. The remaining enhancements assumed cost savings or cost avoidance as a result of implementing a Managed Care program, a Disease Management program, and a preferred drug list known as the First Choice Drug program that was just initiated in March 2004.

LEGISLATIVE INTENT: Authorizes the State Controller to make transfers from the General Fund to the Cooperative Welfare Fund; reappropriates unexpended and unencumbered balances of the Cooperative Welfare Fund; authorizes the expenditure of all receipts collected as noncognizable funds; expresses intent with regard to managing growth in the new children's health insurance programs; requires the Department to file a written report on the status of Medicaid in January 2005; and expresses intent with regard to a Medicaid Buy-In program.

FY 2005 APPROPRIATION:	FTP	Pers. Cost	Oper Exp	Cap Out	T/B Pymnts	Lump Sum	Total
G 0220-03 CW - General	0.00	5,453,700	6,127,800	0	276,479,900	0	288,061,400
OT G 0220-03 CW - General	0.00	0	110,200	0	0	0	110,200
D 0173-00 Idaho Health Insuranc	0.00	95,200	0	0	1,389,200	0	1,484,400
OT D 0173-00 Idaho Health Insuranc	0.00	0	139,800	0	0	0	139,800
D 0179-00 Medical Assistance	0.00	0	0	0	2,500	0	2,500
D 0220-05 CW - Other	257.00	0	0	0	61,711,400	0	61,711,400
D 0418-00 Liquor Control	0.00	0	0	0	650,000	0	650,000
F 0220-02 CW - Federal	0.00	9,703,800	11,986,600	0	675,301,000	0	696,991,400
OT F 0220-02 CW - Federal	0.00	0	2,250,000	0	0	0	2,250,000
Totals:	257.00	15,252,700	20,614,400	0	1,015,534,000	0	1,051,401,100